

# **BUDGET PROCESS AD-HOC COMMITTEE**

## **Meeting Agenda**

**October 11, 2017 – 6:00-7:30 PM**

Community Development Building, Siskiyou Room  
51 Winburn Way

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- 1. Call to Order**
- 2. Approval of Minutes**
  - 2.1.** September 27, 2017 Meeting Minutes
- 3. Public Forum** (Evenly divided by public wishing to speak)
- 4. October 2<sup>nd</sup> City Council Study Session Debrief**
- 5. Continued Discussion on Proposed Two Year Team Calendar**
- 6. Continued Review of Onboarding Document Outline/Definitions**
- 7. Review of City Attorney Added Definitions**
- 8. Wrap Up**
  - 8.1.** Agenda items/Materials requested for next meeting
  - 8.2.** Next Meeting Scheduled for October 25, 2017 @ 6:00 PM

### **Scope of Work**

The ad hoc Budget Process Committee will be convened to discuss specific issues relating to the Citizen's Budget Committee's (CBC) role with the City's budget and property tax levy approval. The committee will be made up of two elected members of the CBC, two citizen members of the CBC, and two City staff members to be identified by the Mayor. Each member will have voting rights. The committee will meet at a frequency desired by the committee. Topics of discussion may include but not limited to the following:

- Committee member's preferences for ground rules, rules of order, conduct of meetings, voting/reaching consensus, fact finder process, etc.
- General economic projections by the Finance Officer of the possible changes in revenues, expenditures, or requirements of the next budget process.
- Orientation on the budget document, the fund structure and the types of activities or programs and expenditures made from each fund in the budget.
- Training on the budget committee process, calendar, expectations for members, etc.
- Other issues deemed pertinent by the ad hoc Budget Process Committee.
- Committee will assemble a report for Council with recommendations by the second meeting in October.

The committee meetings shall be governed by the City of Ashland uniform policies and procedures for advisory boards and commissions (AMC Chapter 2.10). The committee chair shall make sure that each meeting agenda includes time for public input.

**DRAFT Budget Process ad-hoc Committee Minutes**

**September 27, 2017**

**6:00 p.m.**

**Community Development Building, Lithia Room  
51 Winburn Way**

**Call to Order/Opening Remarks**

5:57

**Roll Call**

**Present:**

Garrett Furuichi

Paula Hyatt

Dennis Slattery

Adam Hanks

Mark Welch

David Lohman (City Attorney – Not Committee member)

**Absent:**

Rich Rosenthal

**Approval of Minutes from August 30, 2017 & September 13, 2017**

MOTION by Committee Member Garrett Furuichi, SECONDED by Committee Member Paula Hyatt to approve the Minutes of the August 30, 2017 and September 13, 2017 Budget Process ad hoc Committee meetings with one exception, that wording to be corrected on page 3 of the August 30, 2017 to remove the word “one-way” track. Carried unanimously.

**Public Form**

None

**Discussion Item #1-October 2<sup>nd</sup> City Council Study Session**

- 1) Chairman Dennis Slattery stated that there will be a public meeting notice, notification, and agenda will be going out on September 28, 2017
  - a) Agenda will be in two parts; the first hour will be a council study session regarding the 8<sup>th</sup> quarter financials.
  - b) It will be noticed as a budget committee meeting due to there could be a quorum of the budget committee but it will be a council study session with the Mayor running the meeting. Mark Welch, City of Ashland Administrative Services Director, will present with a question and answer time running a total up to a 1 hour. That meeting will then be closed and the council study session will continue from there.
    - i) Furuichi asked what the second session would be on, Slattery noted that this will be council study session for other planning items. The budget committee will be excused after the first hour. He also confirmed that this will take place in council chambers at 5:30 p.m.
- 2) Slattery stated noted that there will be a debrief of how the processed worked at an upcoming meeting budget committee ad hoc meeting.
  - a) Agenda will be in two parts; the first hour will be a council study session regarding the 8<sup>th</sup> quarter financials.
- 3) Slattery suggested sending out to all committee and council members the supplementary questions that were discussed previously by this committee, along with the agenda for the 8<sup>th</sup> quarter review, but after discussion the committee decided that this would not be the best time to send this out.
- 4) Furuichi went on to commented that process will be to review, comment at the committee level, voted on a presented to the council for review at the end of the committee cycle on November 10<sup>th</sup>.

- a) Slattery went to note this will be a time to review the 8<sup>th</sup> quarter financials. This will not be an opportunity to discuss in future or past budget. Furuichi confirmed that it will be a review, update and education as per the stated rules.
- 5) Furuichi questioned what would happen if there were additional questions on the 8<sup>th</sup> quarter financials.
  - a) Welch stated that council would have to approve and accept the 8<sup>th</sup> quarter report at a business meeting, at that time any outstanding issues could be solved.
  - b) Slattery explained that if there are further questions beyond what can be answered at the study session these would be brought back by Welch to a city council meeting and he could address them at that. He also noted that this would take place at the next month's meeting.
- 6) Furuichi stated that a quorum does not need to be present at this meeting.
  - a) Slattery commented by saying that it is not required but it may be present and that would be the reason for the noticing of the meeting as such.
  - b) Adam Hanks, City of Ashland Assistant City Administrator and Slattery discussed the format, to which they confirmed that this will be presentation with a question and answer time, with the budget committee being able to participate.
- 7) Furuichi asked about the CAFR and if the council reviews this.
  - a) Welch stated that audit has been completed but the CAFR is not complete.
  - b) Hanks noted that this is approved by the audit committee.
- 8) Dave Lohman, City of Ashland Attorney stated that he was there to discuss the two additional items added at the last meeting and to see if there were any questions.
  - a) The committee noted that they would like to take time to review the document.
  - b) Furuichi noted the idea of the process and the calendar that was presented in the agenda packet.
  - c) Hanks clarified that the definitions as they relate to what is a general definition, what will be a sub section from the supplementary legal questions and what can be added to the onboarding guide. Slattery also noted that Hyatt had a guide that could also be added and this could be something that the committee looks at.

#### **Discussion Item #2-Proposed Two Year Team Calendar**

- 9) The team was presented that two-year calendar prepared by Welch and Hanks.
  - a) Hyatt asked to look at the definition of onboarding and how it pertains to the Ashland environment. She questioned whose action item this would be.
  - b) Slattery noted that this would be something that has to be done in the meeting.
  - c) Welch noted that this would be something that himself and Hanks would work on and bring back to committee. Hanks agreed.
- 10) Furuichi stated that the main item to understand was that this tentative and that this could be broken down by off season and on season.
  - a) Welch explained this was his and Hanks attempt to plan out what the next two years and what items need to be hit on. He also noted that it becomes a pretty busy calendar if the budget committee wants to hit on all items, meaning that the committee would need to meet every other month. He also explained the packet item with scheduled for budget season.
  - b) Hanks noted that the goal was not to overlay too many items. He stated that in addition to this there is also a staff calendar. He added that these items could be added and then all items could be color coded to include what is full budget committee components, council only components of the master Gantt chart. Furuichi questioned if there would be overlap.
    - i) Hanks noted that yes, when there is budget committee there is automatic overlap.
    - ii) Furuichi questioned what was budget committee related and what was council and that council has its own calendar.

- 11) Slattery clarified that there is one calendar budget committee and one calendar council. And that one item has to happen before the other. He noted that there is value in being able to see the entire set of items taking place. He also noted that there was no sixth quarter on the chart.
  - a) Hanks noted that the sixth quarter would be the start of the budget process, but that this could be added
  - b) Slattery noted that council time and how every other quarter makes sense.
  - c) The committee discussed the importance of the items such as CIP being where they are on the calendar.
- 12) Slattery like the idea of having all items on one sheet, color coded
- 13) The committee noted that in April, May and June that there are no items on the calendar.
  - a) Hanks responded by saying that this when staff does there work on the budget.
- 14) Slattery noted biennial fourth quarter.
  - a) Welch stated that that there would a review of the first year of the biennium, with a discussion of the future of the budget.
    - i) Slattery noted that this could be a two-part meeting with one begin an updated and the other being about what departments are doing.
    - ii) Hanks noted that this will help with putting the committee ahead by reviewing at the one year, as the budget process starts in January.
- 15) Slattery noted that this is within the official budget season.
  - a) Welch noted that this a frame work of what could happen. He also added that department presentations would be prior to the budget being presented.
  - b) Slattery noted that he would like to see departments do presentations, present key metrics, expect for what their budget would look like, only what their proposed budget looks like. This will help to meet with the departments and to ask questions within the budget proper.
  - c) Welch noted that this needs to happen before the official budget kickoff, as they do not want run into issues with the number of meetings.
- 16) Furuichi asked if council could set their priorities at that meeting.
  - a) Slattery stated that these are set before this and they need to have a strategic plan process that feeds into the financial priorities before December, so that everyone understand were the process is at.
  - b) Hyatt asked Welch what he thought that a budget committee member should know walking into a budget message. She noted items that she thought could have been solved in the last budget cycle. She noted that this important to understanding the roles and responsibility of a committee member and what make the budget process for the last two months streamlined. She noted items such as the book format and use of department presentations and revenues discussion. She also added a portion regarding departments with clear budget issues and a plan when these issues present themselves, as well as the use of “creative budgeting” Above all she wants to have conversations ahead of the reactionary mode.
  - c) Welch noted that he sees this as something that can happen in department presentations and what departments see happening in currently and in the future. He added that there is not much value in talking line items. He sees these meetings as an educational tool so when the budget is presented you can use these discussions and base the information on the budget.
  - d) Hyatt noted that this will reduce the amount of “tail chasing” and that everyone is ready to get to the “meat” of it.
  - e) Hanks noted that the “creative budgeting” part tips away from the budget committee role and that this is a department head role.
  - f) Slattery noted that there is still an advice part to this process.
- 17) Slattery spoke to the onboarding process as it on the chart, he noted that this is listed on the December and January.
  - a) Hanks noted that this is before the department presentations.

- b) Slattery added that this will outline to them what will happen next. Hanks added that this will help to get at the systemic issues.
- 18) Hyatt discussed the add package in relation to the strategic planning. She noted that although this is written to take place between November to March, the priorities still shift right up until the presentation of the budget message.
- a) Slattery added that it comes from council as a priority will be different from the add package. He also noted that add packages come from staff and administration. Hanks added that this was a way to address the priorities made by council.
  - b) Hanks noted this is definition that needs to be added to the glossary, as to what is an add package and what is not.
  - c) Slattery added that we need to have the first agreement as to what the budget philosophy and assumptions are. And then the next step would be to see what fits.
  - d) Hanks noted that what is predefined is what is in and then by definition what is not would be an add package.
  - e) Slattery also added that if based on council strategic planning that some of the priorities may be built into the budget.
    - i) Hanks agreed that sometimes items are added as they are used with existing money and early implementing. He added that it would be nice to make sure that this are highlighted so that it is known.
- 19) Hyatt noted that this layout allows for people to know what to expect and that it will be a powerful tool in recruiting budget committee members.
- 20) Noted that there is importance in using this as a training tool and the process for this is looking good.
- 21) Slattery turned the conversation to beginning to look at what meetings the budget committee will have, what would be the agenda, when would they be scheduled.
- a) Hyatt agenda noted that the agendas will show what requires more conversation and brainstorming on the part of the budget process ad hoc committee.
  - b) Slattery noted that the committee needs to begin looking at the time management piece and weather you would be adding study sessions.
    - i) Welch noted that many of the items that would come to budget committee will come to city council regardless of budget committee action.
- 22) Slattery stated that there needs to be three colors on the calendar including budget committee, council only, and the third would be items already coming council that can be tied in.
- a) Hanks asked Slattery if this level of detail needs to be done prior to the presentation to the council. Slattery stated that he thinks it should. He also noted to the city council look ahead needs to begin to intersect with this calendar. The committee agreed, noting that this will allow for less meetings. Slattery noted that there is going to have meetings that take place on off nights.
- 23) Slattery stated that there is a strategic to do and that there are some items that we need to load up and ask what are we doing about them. He noted City Administrator, Planning Director, the transit triangle. Hanks noted that this could be termed strategic mapping. Slattery noted by doing this it will help utilize the time of committees better.
- 24) Discussion Item #3-Review Onboarding Document Outline/Definitions**
- 1. Hanks asked if the committee wanted to begin to look at an outline of what this document would look like. Then staff would take this and fill in the details and bring it back to the committee for review. The committee agreed.
  - 2. Slattery noted that the committee might add in an extra session for new committee members and that there should be one meeting beforehand to bring everyone on board. Hanks noted that they do this with staff, and that the Budget committee version could similar.

3. Welch presented a draft of what the outline would look like for the onboarding guide. He added he would like feedback from the committee on this.
4. Furuichi asked what the timeline would be for giving this guide to new budget committee members. Hyatt stated that it would be good to give when the appointment takes place. She also noted what happens when a person is appointment off cycle and issues that go along with that. Slattery noted that this will most likely not be the case with all the off cycle meetings taking place. Hanks noted that this be on website, and various other places including with the letter that comes from the mayor. In addition, he noted that the entire committee would get a copy prior to budget kickoff.
5. Hyatt asked that a tour of the city be added to the onboarding guide, to allow for understanding, and getting to know the people involved. The committee agreed with the importance of this as it relates to the context of what the city is doing.
6. Slattery asked that a meeting be added to July 2019 to discuss the budget process after it has happened and what adjustments can be made for the future. Furuichi agreed that it would be a good idea to circle around and look at the process.
7. Hyatt asked if materials such as packets should be defined ahead of time. Slattery said this will be done in the agendas. Hanks noted that the content helped to drive the calendar, as it is necessary- to have certain materials when meeting.
8. Furuichi asked if the onboarding guide could be added to if suggested. Hanks said that items can be added as needed and that this was a first draft.
9. Furuichi noted that it would the state could do a budget law training. Slattery noted that this was on the calendar and this is very necessary for budget committee and council.
10. Slattery asked Furuichi if he had a document to share. Furuichi stated that he did have a document that had budget committee guidelines with roles of citizen members, the governing board. Hanks asked if this is different from what Dave Lohman had provided the committee. Slattery suggested have Lohman review. Furuichi agreed to submit to Lohman before distributing. This will help he noted to keep things legal.

#### **Next Meeting**

1. Next meeting scheduled for October 11, 2017 at 6:00 p.m.
  - a. Slattery stated that the agenda for next meeting will include onboarding guide, agendas for meetings and a look ahead example.
  - b. Slattery noted that the committee will need to have a meeting once all items and the presentation has been packaged. This will be the last meeting.
  - c. Hyatt noted that Slattery was looking a three buckets at the start of the committee meeting. Legal has been covered, Ashland portion has been covered, budget process. Hanks suggested closing the door on the legal piece.
  - d. Hyatt asked if there was existing agenda for budget quarter meeting. Slattery noted that these meetings need to be straight forward. Hanks added that we need to be clear and simplified
  - e. Slattery added that we need to make sure that budget committee members are invited to the October 2<sup>nd</sup>, 8<sup>th</sup> quarter meeting.
  - f. Hyatt asked about what the budget committee process presentation would look like and if we could start looking at it know. Slattery noted that this would be a 15-minute presentation with the calendar. Slattery explained the historical energy and that this committee will help bring people along, he added that being transparent is proactive. Hyatt noted the budget book recreation, the committee also noted OpenGov.

*Respectfully Submitted By: Natalie Thomason*

**Budget Process Proposal**

	<u>Meeting Number</u>	
February	1	Department Presentation on Current Organization and Future Challenges (No discussion on need for future items)
	2	Department Presentation on Current Organization and Future Challenges (No discussion on need for future items)
	3	Department Presentation on Current Organization and Future Challenges (No discussion on need for future items)
April 30th	4	Review Budget Message and Being Deliberations
May	5	Review Revenue Forecast
	6	Review Personnel Budget
	7	Review Debt and Capital Budget
	8	Review Materials and Services
	9	Review Materials and Services
Late May/Early June	10	Adopt Budget and Property Tax Rate



**Budget Committee  
On Boarding Packet**

1. Welcome letter and brief introduction of the Budget Committee
  - a. Budget Assumptions
2. Previous Biennium Budget Brief
3. Legal Questions and Answers from City Attorney
4. Budget Calendar
5. Definition of budget terms
6. Robert's Rule of Order
7. Useful website links
  - a. City's Past Budgets
  - b. Oregon Department of Revenue
  - c. Applicable ORS
  - d. OpenGov

# Memo

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DATE: 9/27/17  
TO: Budget Process Ad Hoc Budget Committee  
FROM: Dave Lohman  
RE: Q&A on Budget Committee

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Below is the Q&A discussed at your 9/13 meeting, supplemented by additional questions 10, 11, and 12 that arose during the meeting. The additional questions concern working definitions for “Budget Season” and “public meeting”, and a suggested protocol for making and responding to information requests. Questions 1 through 9 are the same as presented at the 9/13 meeting, except for clarifications in 7.c.ix and 8.a.vi and a few typo corrections.

1. **Does Oregon’s Local Budget Law assign to the Budget Committee (“BC”) any duties or powers to take official actions during the 20 to 21 month period between City Council adoption of one biennium’s budget and the BC’s first meeting on the budget document for the ensuing biennium (“Off-Season”)?**

Response: No.

Points and Authorities:

- a. Oregon statutes ascribe roles to the BC solely for the 3 to 4 month period between the BC’s first meeting on the budget document for the upcoming biennium and City Council adoption of the budget for that biennium (“Budget Committee Season”): “Once the budget committee has approved the budget, it has completed all of the duties required of it by Local Budget Law.” *Local Budgeting Manual*, p. 46. See Question 10 below.
- b. Only the Council has statutory authority to take official actions in the Off-Season with respect to the budget (such as, adoption of a supplemental budget, transfers of appropriations, or post-budget-adoption local option taxes) ORS 294.463-.476. The BC is not mentioned in these statutory provisions concerning Off-Season official budgetary actions.
- c. “[S]ome local governments have a policy of including the budget committee in other parts of the process, such as adopting a supplemental budget. These are local policy decisions that are up to the discretion of the governing body.” *Local Budgeting Manual*, p. 46.
- d. Only the Council has the authority to convene an Off-Season BC meeting and determine its purpose: *Local Budgeting Manual* says at page 45, “The budget committee may meet from time to time throughout the year at the governing body’s discretion for purposes such as training; “*Local Budgeting in Oregon*, at page 11, says “The budget committee may be reconvened by the governing body at a later date [after budget adoption] in the event the financial conditions in the district



change. A meeting for this reason is called at the discretion of the governing body and is not a requirement of the local budget law.” (Emphasis added in each excerpt)

- e. *Local Budgeting Manual* addresses Off-Season meeting topics: (1) At page 15, it says, “The budget committee is allowed to meet for training and advisory reviews throughout the year, but the budget may not be deliberated before the first meeting for which notice is published.” At page 45, the *Manual* says, “Take care not to discuss specifics of the ensuing year’s budget at these informal meetings until the notice requirements of the first budget committee meeting have been satisfied.”

**2. During Off-Season, may a quorum of the BC members meet and discuss budget matters?**

Response: Yes, as long as the gathering is a properly noticed public meeting convened by the Council and as long as the discussion is not about the specifics of the budget for the ensuing biennium. See Question 9 below.

Points and Authorities:

- a. The Council has exclusive authority to convene an Off-Season BC meeting. See 1.b., c. and d. above.
- b. The meeting may not be about the specifics of the budget for the ensuing biennium. See 1.e. above

**3. During Off-Season, may the person who chaired the BC during the preceding Budget Committee Season convene a BC meeting?**

Response: No, because the Council has exclusive authority to convene a BC meeting during the Off-Season.

Points and Authorities:

- a. The Council has exclusive authority to convene an Off-Season BC meeting. See 1.b., c. and d. above.
- b. Because the BC has no capacity to take any official action in the Off-Season (see 1.a. and b. above), the chair of the BC has no authority to take any official action.
- c. Oregon statutes direct that selection of a BC chair is to occur at the first meeting of the BC for any particular Budget Committee Season, which can only occur when it first receives the budget document for the ensuing biennium. ORS 294.414(9) and 294.426(1)(a). As there is no statutory provision governing Off-Season replacement of a BC chair who has resigned or whose term has lapsed during the Off-Season, those statutory provisions suggest that chairmanship of the BC for any particular Budget Season terminates once that season is over.
- d. ORS 294.428(1) says, “In addition to the meetings held under ORS 294.426(1) [which prescribes the requirements for meetings held for receiving the budget and providing opportunities for public questions and comments on the budget document], the budget committee may meet from time to time at its discretion.” This is in a section titled “Budget Committee Hearings; Approval of the Budget Document.” That section addresses only meetings concerning approval of the budget document; it is not a grant of general discretion to the BC to convene meetings at any time. If it were a grant of general discretion to convene meetings, there would be no need for the strictures in ORS 294.426 or the statements in the *Local Budgeting Manual* and *Local Budgeting in Oregon* that



meetings of the BC in the Off-Season are at the discretion of the governing body. See 1.c. and d. above

**4. During Budget Committee Season, may the appointed BC members meet on their own for the purpose of discussing the budget?**

Response: No.

Points and Authorities:

- a. "Committee members may not discuss or deliberate on the budget outside of a public meeting." *Local Budgeting Manual*, p. 45.
- b. "A gathering of less than a quorum of the committee, subcommittee, advisory group or other governing body is not a "meeting" under the Public Meetings Law. However, while a gathering of less than a quorum is not a "meeting," members of the governing body should not together as a group or groups composed of less than a quorum for the purpose of conducting business outside the Public Meetings Law. Such a gathering creates the appearance of impropriety, and runs contrary to the policy of the Public Meetings Law, which supports keeping the public informed of the deliberations of governing bodies." *Oregon Attorney General's Public Meetings Manual*, p. 304.
- c. If those gathering at such a meeting were to constitute a quorum of the BC, the meeting would have to be open to the public. ORS 294.428(2). But since the 7 appointed BC members would not constitute a quorum, the only allowable official action at such a gathering would be approval of a motion to adjourn.

**5. During Off-Season, may less than a quorum of the BC gather on their own for the purpose of discussing budget matters (other than budget specifics for the budget for the ensuing biennium)?**

Response: (1) Yes, if the less-than-a-quorum members of the BC constitute a public body (for example, the group is the Council itself or has been appointed by the Council to be a subcommittee or separate advisory group) and the gathering meets public meeting requirements, including public notice; (2) No, if the purpose is to discuss specifics of the budget for the ensuing biennium; but otherwise such gathering of less than a quorum of BC members is permissible.

Points and Authorities for Response #2:

- a. While the Oregon Attorney General generally advises against such gatherings (see 4.b. above), the policy of keeping the public informed of the deliberations of governing bodies would not be violated by a gathering of less-than-a-quorum of public body that has no authority or power in the Off-Season to take any official action. Analogy: The Ashland Building Board of Appeals exists to comply with state statute and is activated only when official action is called for. During the time this board is deactivated status (has no duties to perform), no one could reasonably perceive discussions of less than a quorum of its members as deliberations of a public body.
- b. "Committee members may not discuss or deliberate on the budget outside of a public meeting." *Local Budgeting Manual*, p. 45. It is debatable whether this proscription applies even to Off-Season



discussions: Such a discussion among less than a quorum of BC members in Off-Season surely would be a protected exercise of the First Amendment freedom of association, unless it strayed into deliberations on specifics of the ensuing biennium’s budget document not yet formulated by staff.

6. **During either Budget Committee Season or the Off-Season, at meetings of the City Council, are Councilmembers limited as to budget issues that can be discussed? (More pointedly, do the limitations on less-than-a-quorum BC members’ budget discussions, as described in Questions 2 and 5 above, also apply to the elected BC members, that is to Council members?)**

Response: No.

Points and Authorities:

- a. “Standards and budget parameters established by the governing body give the budget officer and administrative staff general guidelines for budget development. *Local Budgeting in Oregon*, p. 11. The budget officer needs to know what policy initiatives having fiscal impacts the Council is likely to undertake in the next biennium – which can only be determined after Council discussion of priorities among potential initiatives.
  - b. The BC has no statutory or Charter-established role in formulation of the budget or in overseeing adherence to it or revisions to it after its initial adoption. See 1.a.–e. above. Councilmembers, in contrast, would be derelict if they did not oversee adherence to the current biennium’s budget or if they stopped developing policies and setting priorities until the ensuing biennium’s budget has been prepared and submitted.
  - c. “The budget committee is a local government’s fiscal planning advisory committee.” *Local Budgeting Manual*, p. 44. In contrast to this limited advisory status, the Council is the plenipotentiary City governing body elected to establish the overall direction and priorities for City government and is the body solely subject to voter disapproval if unacceptable decisions are made and subject to potential legal action for breach of fiduciary duty.
7. **Which budget-related tasks and powers are assigned to the BC by City Charter or ordinances, by Oregon’s Local Budget Law, or by Oregon Department of Revenue interpretations of Oregon’s Local Budget Law?**

Responses:

- a. Explicit assignments and authority
  - i. Electing a chair and other officers, receiving the budget message, hearing patrons, setting dates for future meetings, and adopting rules of order. *Local Budgeting in Oregon*, p. 10
  - ii. Holding at least one public meeting on the budget presented by the Budget Officer and taking public comments on it. ORS 294.428.
  - iii. Asking questions of staff and requesting additional information the BC “requires for the revision and preparation of the budget document.” ORS 294.428(3).
  - iv. Compelling the attendance of any City officer or employee at BC meetings. *Id.*



- v. Reducing or increasing estimates of resource and requirements in the budget presented by the Budget Officer. *Local Budgeting Manual*, p. 45.
  - vi. Adding or deleting funding for specific services. *Local Budgeting in Oregon*, p. 11.
  - vii. Approving the budget presented by the Budget Officer, with additions or deletions. *Local Budgeting Manual*, p. 15.
- b. Implicit assignments and authority
- i. Individual BC members may ask questions of staff between committee meetings. *Local Budgeting in Oregon*, p. 11.
- c. Explicit or implicit proscriptions
- i. The BC may not take any action without approval by a majority of the entire committee (a majority of those voting does not suffice). *Local Budgeting in Oregon*, p. 11.
  - ii. "Generally, the budget committee's role is not to directly establish or eliminate specific programs or services." *Local Budgeting in Oregon*, p. 11.
  - iii. "Budget committee influence on programs and services is most often exerted at a higher level, when it improves the overall budget and establishes the tax levy." *Id.*
  - iv. "The budget committee does not approve new personnel, employee contracts or salary schedules, nor does it negotiate salary contracts." *Id.*
  - v. "Committee members may not discuss or deliberate on the budget outside of a public meeting." *Local Budget Manual*, p. 45.
  - vi. The BC may not "discuss specifics of the ensuing year's budget at... Informal meetings until the notice requirements of the first budget committee meeting have been satisfied." *Id.*
  - vii. [M]ay not adopt any rule which would allow us take official action with approval of less than a majority of its members in agreement. *Local Budgeting in Oregon*, p. 11.
  - viii. Requests to staff for information beyond that required for revision and preparation of the budget document is inappropriate. ORS 294.428(3).
  - ix. Recommendations concerning adherence to or changes to the adopted budget for the current biennium are beyond the scope of the BC, except upon invitation by City Council. See 1.a, b., and d. above.

**8. Which budget-related tasks and powers are assigned exclusively to the City Council by the City Charter or ordinances, by Oregon's Local Budget Law, or by Oregon Department of Revenue interpretations of Oregon's Local Budget Law?**

Responses:

- a. Explicit assignments and authority
- i. Final decision-making on all City policies and the use of City resources. AMC 2.10.090.
  - ii. Appointing the Budget Officer. ORS 294.331.
  - iii. Establishing "standards and budget parameters" to be given to the Budget Officer to serve as "guidelines for budget development." *Local Budgeting in Oregon*, p. 11.
  - iv. Setting meeting agendas:
    - 1. Set by Budget Officer, who is under the City's Executive Officer. ORS 294.331.



- v. Adoption of final budget, after public hearing and deliberation on the budget document approved by the BC. ORS 294.453-.456.
  - vi. Actions concerning adherence to and changes concerning adherence to or changes to the adopted budget for the current biennium, including adoption of a supplemental budget in certain circumstances per ORS 294.471-.473 and transferring appropriations between funds when authorized by ordinance or making interfund loans per ORS 294.463 and .468. See 1.a, b., and d. above.
- b. Implicit assignments and authority
- i. Any duties or authority not expressly assigned to the BC.
  - ii. Deciding whether to invite appointed BC members to participate in the Council’s budget hearing. *Local Budgeting Manual*, p. 55.
  - iii. Deciding whether to reconvene the BC in the Off-Season. *Id.* at p. 45.

**9. What topics of discussion are appropriate for BC discussion during the Off-Season?**

Responses:

- a. Appropriate topics (per Oregon Department of Revenue)
  - i. Training on the budget committee process, calendar, expectations for committee members, etc.
  - ii. Committee members’ preferences for ground rules, rules of order, conduct of meetings, voting/reaching consensus, fact-finding process, etc.
  - iii. Orientation on the organization and its various departments, programs, staffing, etc., and on the activities or services provided by each.
  - iv. General discussion of vision and goals, spending priorities, or philosophy on how to allocate scarce resources or make trade-off decisions as to which programs get funded and which don’t.
  - v. General economic projections by the finance officer of possible changes in resources or requirements expected next year.
  - vi. Any and all discussion of the current year budget or prior year budget, including what, in general, might be done differently next year.
- b. Inappropriate topics (per Oregon Department of Revenue)
  - i. Specific estimates or appropriation amounts associated with any fund or line item, resource or requirements.
  - ii. The question of whether to fund specific programs or expenditures.
  - iii. The question of whether to impose any tax levy, or the amount of any levy.

**10. For purposes of having common vocabulary for discussing the role of the BC, what would be a clear working definition of “Budget Committee Season”?**

Response: “Budget Committee Season” means the period of time when the BC has authority under state law to take official action. This period begins at the first meeting of the BC, which can only occur when the committee sitting en banc first receives from the Budget Officer the budget document for the ensuing



biennium - - typically in April or May of the second year of any biennium - and the date the City Council adopts the final budget for that biennium. Between one Budget Committee Season and the next, only the City Council has statutory authority to take official actions with respect to the budget or to convene the BC for any purpose.

Points and Authorities:

- a. See 1.a, b., and d. above

**11. For purposes of having common vocabulary for discussing the role of the BC, what would be a clear working definition of “a public meeting of the Budget Committee”?**

Response: “A Public meeting of the Budget Committee” means a gathering of a quorum of the BC membership at which discussion of City budget matters is intended to or is likely to occur.

Points and Authorities:

- a. “The Public Meetings Law applies to all meetings of a quorum of a governing body for which a quorum is required in order to make a decision or to deliberate towards a decision on any matter.” *Oregon Attorney General’s Public Meetings Manual*, p.122.
- b. “The *purpose* of the meeting triggers the requirements of the law....[A] purpose to deliberate on any matter of official policy or administration may arise [even] *during* a social gathering and lead to a violation. Members constituting a quorum must avoid any discussions of official business during such a gathering.” *Id.*, at 123 (italics in original)
- c. “Even if a meeting is for the sole purpose of gathering information to serve as the basis for a subsequent decision or recommendation by the governing body, the meetings law will apply.” 38 Op Atty Gen 1471, 1474 (1977); *Oregonian Publishing Co. v. Board of Parole*, 95 Or. App 501, 506 (1989).
- d. See also Questions 4 and 5 above.

**12. For purposes of having commonly understood procedures, what would be a clear delineation of the process for individual BC members to obtain from staff information related to the City Budget between meetings of the BC?**

Responses:

- a. During Budget Committee Season:
  - i. Scope of topics: Information required for revision and preparation of the budget document. ORS 294.428(3).
  - ii. Sequence
    1. BC member makes written request to Budget Officer or Department Director for information within the scope of topics described above.
    2. Budget Officer/him Department Director notifies City Administrator of request.
    3. Department Director and City Administrator preliminarily determine (1) whether scope is appropriate and (2) whether response will require less than 2 hours of staff time.



- a. If both preliminary determinations are affirmative, Budget Officer/Department Director arranges to have response prepared and delivered to requester.
  - b. If either of the two preliminary determinations is negative, City Administrator notifies Mayor, asking for a decision on whether to comply with request.
    - i. If decision can wait until upcoming BC meeting, it should be included on the agenda for the upcoming meeting for final decision by majority vote of BC.
    - ii. If decision cannot wait until upcoming BC meeting, Mayor should make the final decision on whether to comply with request.
- b. Outside of Budget Committee Season:
- i. Scope of topics:
    - 1. Not information on specifics of the ensuing biennium budget.
    - 2. See Question 9 above.
  - ii. Sequence
    - 1. BC him member makes written request to City Administrator for information within the scope of topics described above.
    - 2. City Administrator preliminarily determine (1) whether scope is appropriate and (2) whether, in light of other current priorities, responding to request warrants required staff time.
      - a. If both preliminary determinations are affirmative, City Administrator arranges to have response prepared and delivered to requester.
      - b. If either of the two preliminary determinations is negative, City Administrator notifies Mayor, asking for a decision on whether to comply with request.
        - i. If decision can wait until upcoming meeting of City Council, it should be included on the agenda for the upcoming meeting for final decision on the request by majority vote of the City Council.
        - ii. If decision cannot wait until upcoming BC meeting, Mayor should make the final decision on whether to comply with request.
- c. A Budget Committee member (like any other citizen) can acquire an existing public document by filing a public records request with the City Recorder. If a requested document would have to be created or compiled from other information, with a few exceptions for data in easily accessible computerized format, the Recorder's response would likely be that no such document exists.

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